

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 376 - SB 518

March 8, 2013

SUMMARY OF BILL: Prohibits clear-cutting in state forests except in cases of natural disaster or infestation.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue - \$611,400

Increase State Expenditures - \$400,000

Assumptions:

- According to the Department of Agriculture (DOA), if the Division of Forestry is unable to utilize the clear-cutting method, it would have to use the shelterwood system of harvesting.
- DOA indicates that clear-cutting generates more revenue per acre than any other harvesting method.
- DOA indicates that using the shelterwood system will reduce state revenue by approximately \$611,400 per year.
- According to DOA, the shelter wood system will require additional forester time in preparing timber sales and for overseeing logging on larger acreage.
- Based on the information provided by DOA, the recurring increase in state expenditures is estimated to be \$400,000 per year.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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